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CENTRAL FAX CENTER****DEC 18 2006****DOCKET NO. 120 06739 US
SERIAL NO. 10/717,086
PATENT****REMARKS**

Claims 1-27 were pending in this application.

Claims 1-27 have been rejected.

Claim 27 has been amended.

Claim 26 has been cancelled.

Claims 1-25 and 27 are now pending in this application.

Reconsideration and full allowance of Claims 1-25 and 27 are respectfully requested.

I. REJECTION UNDER 35 U.S.C. § 112

The Office Action rejects Claims 26 and 27 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement. The Applicants have cancelled Claim 26 and amended Claim 27 to depend from Claim 1. The Applicants respectfully submit that these amendments overcome the § 112 rejection.

Accordingly, the Applicants respectfully request withdrawal of the § 112 rejection.

II. REJECTION UNDER 35 U.S.C. § 101

The Office Action rejects Claims 1-25 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Specifically, the Office Action asserts that the claims "do not produce any tangible result" and that the "practical application of the claimed invention cannot be realized until the determined probability is conveyed to the user." The Office Action also asserts that for the "result to be tangible, it would need to [be] output to a user or displayed to a user or

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stored for later use.” (*Office Action, Pages 2-3, Section 4*).

First, the Applicants respectfully request that the Patent Office identify any statute, rule, case law, or MPEP passage requiring that a determined overall probability be “output to a user or displayed to a user or stored for later use.” The Applicants are aware of no statute, rule, case law, or MPEP section requiring one of these three options to be recited in the claims.

In fact, the Federal Circuit has held that a process claim that applies a mathematical algorithm to “produce a useful, concrete, tangible result without pre-empting other uses of the mathematical principle” on its face “comfortably falls within the scope of § 101.” (*AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 1358, 50 U.S.P.Q.2d 1447, 1452 (Fed. Cir. 1999)). Claims 1-25 in this application produce a useful, concrete, and tangible result – an overall probability of a valve defect.

Second, the Office Action cites the Official Gazette notice dated November 22, 2005 entitled “Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility.” However, the Official Gazette notice does not, in any way, require at least one of these three options to be recited in the claims.

Third, the Official Gazette notice dated November 22, 2005 specifically describes how a claimed invention must produce a useful, concrete, and tangible result. A claimed invention is “useful” when it satisfies the utility requirement of § 101. In this application, there is no rejection of the claims as lacking utility under § 101. As a result, Claims 1-25 produce a “useful” result.

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A claimed invention produces a “concrete” result when it can produce a result that is substantially repeatable or that substantially produces the same result again. There is no assertion by the Patent Office that the claimed invention in this application produces a result that is unpredictable or unrepeatable. There is also no assertion by the Patent Office that the claimed invention in this application fails to substantially produce the same result again. As a result, Claims 1-25 produce a “concrete” result.

A claimed invention produces a “tangible” result when a claim sets forth a “practical application” of a § 101 judicial exception to produce a “real-world result.” The “tangible” requirement does not require that a claim be tied to a particular machine or apparatus or that a claim operate to change articles or materials. Here, Claims 1-25 clearly set forth a practical application (the determination of an overall probability of a valve defect). Moreover, an overall probability of a valve defect, which is determined using operating characteristics associated with a valve, clearly represents a “real-world result” (unless the Patent Office takes the position that valves and probabilities of valve defects are mere abstract ideas). As a result, Claims 1-25 produce a “tangible” result.

The Office Action impermissibly states that at least one of three options (outputting, displaying, or storing a result) must be used in order for a result to be “tangible.” This is improper. The Official Gazette notice dated November 22, 2005 provides the definition of “tangible,” namely that a claim set forth a “practical application” to produce a “real-world result.” There is no requirement in the Official Gazette notice or in § 101 that a result must be output, displayed, or stored.

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The Applicants respectfully request that the Patent Office provide support (either in statutes, rules, case law, or MPEP) for its assertion that results must be output, displayed, or stored in order for claimed subject matter to be statutory. No requirement such as this can be found in the Official Gazette notice dated November 22, 2005.

Based on the Official Gazette notice dated November 22, 2005, the Office Action has not established that Claims 1-25 fail to produce a useful, concrete, and tangible result. As a result, the Office Action has failed to satisfy its burden in making the § 101 rejection.

In addition, any attempt by the Patent Office to impose additional requirements on patent applicants (such as by requiring that an overall probability be "output to a user or displayed to a user or stored for later use") without any notice or support (in statutes, rules, case law, or MPEP) is arbitrary and capricious.

Accordingly, the Applicants respectfully request withdrawal of the § 101 rejection and full allowance of Claims 1-25.

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SUMMARY

The Applicants respectfully assert that all pending claims in this application are in condition for allowance and respectfully request full allowance of the claims.

If any issues arise or if the Examiner has any suggestions for expediting allowance of this application, the Applicants respectfully invite the Examiner to contact the undersigned at the telephone number indicated below or at *wmunck@munckbutrus.com*.

The Commissioner is hereby authorized to charge any fees connected with this communication (including any extension of time fees) or credit any overpayment to Deposit Account No. 50-0208.

Respectfully submitted,

MUNCK BUTRUS, P.C.

Date:

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